

FISCAL NOTE

Bill #: HB0623

Title: Distributor deduction for collection on gas and special fuel taxes

Primary Sponsor: Smith, F

Status: As Introduced

| | | | |
|-------------------|------|---------------------------------|------|
| Sponsor signature | Date | Chuck Swysgood, Budget Director | Date |
|-------------------|------|---------------------------------|------|

Fiscal Summary

| | <u>FY 2004 Difference</u> | <u>FY 2005 Difference</u> |
|--|--------------------------------------|--------------------------------------|
| Expenditures: | | |
| State Special Revenue | \$0 | \$0 |
| Revenue: | | |
| State Special Revenue | \$917,780 | \$1,009,692 |
| Net Impact on General Fund Balance: | \$0 | \$0 |

- | | |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

Department of Transportation

1. Under current law, except for aviation fuel taxes, the licensed distributors receive a 1 percent allowance for collecting gasoline and special fuel taxes. In FY 2002, this amount was \$1,884,730. Based on HJR 2 revenue estimates, the amount collected at the 1 percent level in FY 2004 would be \$2,002,428 and in FY 2005 would be \$2,019,384.
2. The reduced collection allowance rate in the bill would apply to motor fuel taxes collected after July 1, 2003. Motor fuel taxes collected in July are filed in August. The collection reduction would apply to 11 months in FY 2004 and 12 months in FY 2005.
3. The reduction of the collection allowance from 1 percent to 0.5 percent would result in increased revenue to the department of \$917,780 in FY 2004 and \$1,009,692 in FY 2005.
4. There would be some form and computer system changes needed, but they would be minimal and could be absorbed within the existing budget.

Fiscal Note Request HB0623, As Introduced
(continued)

FISCAL IMPACT:

| | <u>FY 2004 Difference</u> | <u>FY 2005 Difference</u> |
|--|-------------------------------|-------------------------------|
| Department of Transportation | | |
| <u>Revenues:</u> | | |
| State Special Revenue (02) | \$917,780 | \$1,009,692 |
| <u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u> | | |
| State Special Revenue (02) | \$917,780 | \$1,009,692 |